



General Assembly

***Amendment***

***February Session, 2012***

**LCO No. 4037**

**\*SB0020704037SD0\***

Offered by:

SEN. DOYLE, 9<sup>th</sup> Dist.

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To: Subst. Senate Bill No. 207

File No. 108

Cal. No. 104

***"AN ACT CONCERNING RESIDENTIAL HEATING OIL AND  
PROPANE CONTRACTS."***

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 16a-17 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2013*):

5 (a) As used in sections 16a-17 to 16a-20, inclusive:

6 (1) "Fuel" includes electricity, natural gas, petroleum products, coal  
7 and coal products, wood fuels, radioactive materials and any other  
8 resource yielding energy;

9 (2) "Creating a fuel shortage" means the diminution by contrivance  
10 or artificial means of the supply of fuel to a point below that needed to  
11 meet consumer demands adequately.

12     (b) As used in sections 16a-21, as amended by this act, 16a-22a, as  
13     amended by this act, and 16a-22k, as amended by this act:

14     (1) "Associated equipment" means a gas regulator, gas line,  
15     sacrificial anode, interconnecting hardware and such other equipment  
16     necessary for the installation and operation of a propane tank;

17     (2) "Automatic delivery" means the system calculating the heating  
18     fuel needs of a consumer by the dealer and of delivering heating fuel  
19     to the consumer, as determined by the dealer, based on the  
20     consumption of heating fuel by the consumer;

21     (3) "Cash" means legal tender, a certified or cashier's check,  
22     commercial money order or equivalent of such legal tender, check or  
23     money order. Cash also includes a guaranteed payment on behalf of a  
24     consumer by a government or community action agency, provided no  
25     discount is taken for the charge as billed;

26     (4) "Commissioner" means the Commissioner of Consumer  
27     Protection;

28     (5) "Consumer" means a direct purchaser of heating fuel from a  
29     heating fuel dealer, when such fuel is the primary source of heat for  
30     residential heating or domestic hot water to one or more dwelling  
31     units within a structure having not more than four dwelling units;

32     (6) "Gallon" means an accepted unit of measure consisting of two  
33     hundred thirty-one cubic inches, for all liquid or gaseous heating fuel,  
34     subject to modifications allowed under regulations adopted pursuant  
35     to section 43-42;

36     (7) "Heating fuel" means any petroleum based fuel used as the  
37     primary source of residential heating or domestic hot water, including  
38     petroleum products regulated pursuant to chapter 250;

39     (8) "Heating fuel dealer" or "dealer" means any individual or group  
40     of individuals, a firm, partnership, corporation, cooperative or limited  
41     liability company that offers the retail sale of heating fuel to a

42 consumer;

43 (9) "Lessee" means a natural person who rents or leases personal  
44 property under a consumer rental or lease agreement;

45 (10) "Lessor" means a heating fuel dealer who regularly provides the  
46 use of personal property through consumer rental or lease agreements  
47 and to whom rent is paid at a fixed interval for the use of such  
48 property; and

49 (11) "Notice of termination of automatic delivery" means a notice by  
50 a consumer to a dealer providing automatic delivery service in which  
51 the consumer requests the dealer to terminate automatic delivery  
52 service.

53 Sec. 2. Section 16a-21 of the general statutes is repealed and the  
54 following is substituted in lieu thereof (*Effective July 1, 2013*):

55 [(a) No person, firm or corporation shall sell at retail fuel oil or  
56 propane gas to be used for residential heating without placing the unit  
57 price, clearly indicated as such, the total number of units sold and the  
58 amount of any delivery surcharge in a conspicuous place on the  
59 delivery ticket given to the purchaser or an agent of the purchaser at  
60 the time of delivery. No person, firm or corporation may bill or  
61 otherwise attempt to collect from any purchaser of fuel oil or propane  
62 gas an amount which exceeds the unit price multiplied by the total  
63 number of units stated on the delivery ticket, plus the amount of any  
64 delivery surcharge stated on the ticket. For the purpose of this section,  
65 unit price means the price per gallon computed to the nearest tenth of  
66 a whole cent.]

67 (a) (1) No heating fuel dealer shall sell heating fuel or rent or lease a  
68 heating fuel tank without a written contract that contains all the terms  
69 and conditions for delivery of such heating fuel and the amount of  
70 fees, charges, surcharges or penalties allowed under this section and  
71 assessed to the consumer under such contract. No such contract shall  
72 contain any fees, charges, surcharges or penalties, except for those

73 allowed pursuant to subsections (e), (f) and (g) of this section and for  
74 tank rental fees or liquidated damages for violation of the contract  
75 terms. No contract for the delivery of heating fuel under this  
76 subsection shall include a provision for liquidated damages for a  
77 consumer breach of such contract where the liquidated damages  
78 exceed the actual damages to the heating fuel dealer caused by such  
79 breach. No written contract period for heating fuel shall be for a term  
80 greater than thirty-six months, provided the consumer is given the  
81 option to enter into a bona fide commercially reasonable contract for a  
82 term of eighteen months. Longer fuel contract term lengths may be  
83 permitted for underground tank consumers, provided the fuel term  
84 agreements are concurrent with tank lease agreements as specified in  
85 subdivision (2) of this subsection.

86 (2) If a tank is being leased or lent to a consumer, a contract for the  
87 tank rental or loan shall indicate in writing a description of the tank,  
88 initial installation charges, if any, the amount and timing of rental or  
89 loan payments, the manner in which the lessor will credit the lessee for  
90 any unused heating fuel and terms by which a lessee may terminate  
91 the contract. A lessor may enter into a separate contract with the lessee  
92 for additional services including, but not limited to, maintenance,  
93 repair and warranty of equipment, provided such contract complies  
94 with the provisions of this section. No contract for leased or lent tanks  
95 installed above ground shall be for a term greater than thirty-six  
96 months, provided the consumer is given the option to enter into a bona  
97 fide commercially reasonable contract for a term of eighteen months.  
98 No contract for a tank installed underground shall exceed five years.

99 (3) If a tank installed underground is being leased or lent to the  
100 consumer, a contract for such tank lease or loan shall contain a clause  
101 providing the lessee with the option to purchase the tank and  
102 associated equipment upon the expiration of the first term of the  
103 contract, or at any time during the length of the contract, which shall  
104 not be later than five years after the date of commencement of the  
105 contract. The purchase price for the tank shall be disclosed in the  
106 contract and shall not increase before the contract expires. Any waiver

107 of liability or transfer of warranty shall be stated in the contract. For  
108 existing contracts, whether oral or written, where the purchase option  
109 or purchase price is silent or unspecified, a contract addendum  
110 including the purchase option and a commercially reasonable  
111 purchase price shall be mailed to the consumer not later than  
112 September 1, 2013. Such contract addendum shall contain a clause  
113 providing the lessee with the option of purchasing the tank and  
114 associated equipment during the five-year period following the  
115 original tank installation date. Upon purchase of the tank, any contract  
116 obligations pursuant to subdivisions (1) and (2) of this subsection shall  
117 terminate immediately.

118 (4) A contract required by this section shall be in writing and shall  
119 comply with the plain language requirements of section 42-152,  
120 provided any fee, charge, surcharge or penalty disclosed in such  
121 contract shall be in twelve-point, boldface type of uniform font. Any  
122 fee, charge, surcharge or penalty shall not increase prior to the  
123 expiration of the contract.

124 (5) A written contract for the sale of heating fuel or lease of  
125 equipment that calls for an automatic renewal of the contract is not  
126 valid unless such contract complies with the provisions of this section,  
127 section 42-126b and chapter 296a.

128 (6) The requirement that contracts be in writing pursuant to this  
129 section shall not apply to any heating fuel delivery initiated by a  
130 consumer, payable on delivery or billed to the consumer with no  
131 future delivery commitment, where no fee, charge, surcharge or  
132 penalty is assessed, except for any fee, charge or surcharge authorized  
133 under subsection (g) of this section.

134 (7) The requirement that contracts be in writing pursuant to this  
135 section shall not apply to agreements that are solely automatic delivery  
136 where: (A) The consumer may terminate automatic delivery at any  
137 time and where no fee, charge, surcharge or penalty is assessed for  
138 termination, and (B) the dealer providing automatic delivery service

139 provides written notice to the consumer the dealer serves under  
140 automatic delivery of the method for the termination of automatic  
141 delivery, as specified in this subdivision. Such written notice shall be  
142 included with each invoice for products subject to automatic delivery.  
143 Notice from a consumer to a dealer requesting termination of  
144 automatic delivery may be delivered to the dealer by (i) a written  
145 request by the consumer delivered by certified mail to the dealer, (ii)  
146 electronic mail sent from the consumer to a valid electronic mail  
147 address of the dealer, or (iii) electronic facsimile by the consumer to be  
148 sent to a valid facsimile number at the dealer's place of business. The  
149 consumer shall give notice at least one day prior to the day upon  
150 which the consumer desires to terminate automatic delivery service.  
151 The consumer shall not be responsible for payment of deliveries made  
152 by the dealer after such notice has been given, except for deliveries  
153 made within one business day after such notice has been given and  
154 which were scheduled for delivery by the dealer prior to such notice  
155 being given, provided consideration shall be given for weekend and  
156 holiday closings or extenuating circumstances not under the control of  
157 the dealer.

158 (b) If a consumer complaint is being mediated or investigated by the  
159 commissioner, the heating fuel dealer, if it owns the tank and has  
160 exclusive fill requirements, may not deny the consumer deliveries of  
161 heating fuel from October first to March thirty-first, inclusive, because  
162 of the existence of the mediation or investigation, provided the heating  
163 fuel dealer remains the exclusive supplier of heating fuel and the  
164 consumer pays cash for such fuel upon delivery.

165 (c) The requirement that contracts be in writing as set forth in this  
166 section may be satisfied pursuant to the provisions of: (1) The  
167 Connecticut Uniform Electronic Transactions Act, sections 1-266 to 1-  
168 286, inclusive, (2) sections 42a-7-101 to 42a-7-106, inclusive, or (3) the  
169 Electronic Signatures in Global and National Commerce Act, 15 USC  
170 7001 et seq. Except as provided in subsection (d) of this section, verbal  
171 telephonic communications shall not satisfy the writing requirement of  
172 this section.

173     (d) The requirement that contracts be in writing pursuant to this  
174     section and section 16a-23n, as amended by this act, may be satisfied  
175     telephonically, only if a heating fuel dealer:

176     (1) Has provided to the consumer prior to any telephonic  
177     communication all terms and conditions of the contract, in writing,  
178     except for the contract duration, the unit price and the maximum  
179     number of units covered by the contract;

180     (2) Employs an interactive voice response system or similar  
181     technology that provides the consumer with the contract duration, the  
182     unit price and the maximum number of units covered by the contract;

183     (3) Retains for a period of not less than one year from the date of the  
184     expiration of the contract, in a readily retrievable format, a recording  
185     of the consumer affirmation to each such term and condition;

186     (4) Sends the consumer a letter confirming the consumer's  
187     agreement to such terms and conditions, with a written copy of the  
188     terms and conditions agreed to; and

189     (5) Retains a copy of each such letter.

190     (e) No heating fuel dealer shall deliver heating fuel without placing  
191     the unit price, clearly indicated as such, the total number of gallons or  
192     units sold and the amount of any fee, charge or surcharge allowed  
193     pursuant to this section in a conspicuous place on the delivery ticket  
194     given to the consumer or an agent of the consumer at the time of  
195     delivery. No heating fuel dealer shall bill or otherwise attempt to  
196     collect from any consumer of heating fuel an amount that exceeds the  
197     unit price multiplied by the total number of gallons or units stated on  
198     the delivery ticket, plus the amount of any fee, charge or surcharge  
199     allowed pursuant to this section and stated on the delivery ticket.

200     (f) No heating fuel dealer shall assess a fee, charge or surcharge on  
201     any delivery, including, but not limited to, any delivery under an  
202     automatic delivery agreement, initiated by the dealer to a consumer.

203     (g) No heating fuel dealer shall assess a fee, charge or surcharge on  
204     the price per gallon or total delivery charge for any heating fuel  
205     delivery initiated by a consumer, except when:

206         (1) The heating fuel delivery is not more than one hundred gallons;

207         (2) The heating fuel delivery is made outside the normal service area  
208         of the dealer;

209         (3) The heating fuel delivery is made outside the normal business  
210         hours of the dealer; or

211         (4) The dealer incurs extraordinary labor costs for the heating fuel  
212         delivery.

213     (h) Except for the underground tank addendum required pursuant  
214     to subdivision (3) of subsection (a) of this section, the provisions of this  
215     section shall not apply to existing customers of a heating fuel dealer on  
216     July 1, 2013, who have valid written contracts on said date. The  
217     provisions of this section shall apply as of the renewal or expiration  
218     dates of such contracts.

219     (i) A consumer shall have the right to cancel his or her relationship  
220     with a heating fuel dealer without penalty for an above-ground tank  
221     that is lent or leased if such relationship is based upon either an oral  
222     agreement or a course of dealing. No tank removal charge or forfeiture  
223     of unused heating fuel shall be permitted if a consumer cancels such  
224     relationship. The consumer shall be entitled to a refund of all unused  
225     heating fuel at the same price at which the consumer purchased such  
226     heating fuel.

227     (j) The Commissioner of Consumer Protection may adopt  
228     regulations pursuant to chapter 54 to: (1) Establish a consumer bill of  
229     rights regarding home heating dealers, (2) require heating fuel dealers  
230     to provide consumers with such consumer bill of rights prior to  
231     entering into a contract, and (3) permit home heating dealers to post  
232     such consumer bill of rights on their Internet web sites or record and

233 play back such consumer bill of rights when consumers call the offices  
234 of such heating fuel dealers.

235 (k) A violation of the provisions of this section shall be an unfair  
236 trade practice under subsection (a) of section 42-110b.

237 [(b)] (l) Any [person, firm or corporation] heating fuel dealer who  
238 violates [subsection (a) of] any provision of this section shall be fined  
239 not more than [one] five hundred dollars for the first offense, [nor  
240 more than five hundred dollars for each subsequent offense.] not more  
241 than seven hundred fifty dollars for a second offense occurring not  
242 more than three years after a prior offense and not more than one  
243 thousand five hundred dollars for a third or subsequent offense  
244 occurring not more than three years after a prior offense.

245 Sec. 3. Section 16a-22a of the general statutes is repealed and the  
246 following is substituted in lieu thereof (*Effective July 1, 2013*):

247 (a) No [retail] heating fuel dealer [of fuel oil or propane] shall  
248 require that any regular [customer] consumer of such dealer accept a  
249 minimum delivery of heating fuel [oil or propane] of [over] not less  
250 than one hundred gallons or seventy-five per cent of primary tank size,  
251 whichever is less, as a condition of delivery by such dealer.

252 (b) Any heating fuel dealer who violates the provisions of this  
253 section shall be fined not more than five hundred dollars for the first  
254 offense, not more than seven hundred fifty dollars for a second offense  
255 occurring not more than three years after a prior offense and not more  
256 than one thousand five hundred dollars for a third or subsequent  
257 offense occurring not more than three years after a prior offense.

258 Sec. 4. Section 16a-22k of the general statutes is repealed and the  
259 following is substituted in lieu thereof (*Effective July 1, 2013*):

260 (a) No [person, firm or corporation or any officers, agents or  
261 employees thereof,] heating fuel dealer shall condition the availability  
262 of [fuel oil] burner maintenance or repair service upon the agreement

263 of any [purchaser or potential purchaser] consumer to purchase  
264 heating fuel [oil] from such [person, firm or corporation] dealer,  
265 provided, any [person, firm or corporation] dealer may give priority  
266 for service to any [person] consumer who has [an oil] a heating fuel  
267 delivery contract with such [person, firm or corporation] dealer.

268 (b) Any [person, firm or corporation] dealer who sells [at retail fuel  
269 oil or propane gas to be used for residential space] heating fuel and  
270 who has established a schedule of payments plan with a [retail  
271 customer,] consumer shall, upon notice of termination of future [oil]  
272 heating fuel deliveries, return to such [customer] consumer, within ten  
273 days of receiving [any] such notice, any moneys collected in excess of  
274 the retail price for heating fuel actually delivered, provided [,] this  
275 subsection shall not apply to a schedule of payment plan in which a  
276 specific product unit price is agreed upon for the length of the plan.

277 (c) Each [person, firm or corporation] heating fuel dealer who sells  
278 under a trade name [at retail] heating fuel [oil or propane gas to be  
279 used for residential space heating] or who provides service for heating  
280 fuel [oil or propane] burners shall disclose to any [customer] consumer  
281 or potential [customer] consumer on any communication and invoice  
282 and in any advertising, the name of the person or entity which has  
283 filed a certificate to use such a trade name, as required by and  
284 pursuant to section 35-1.

285 (d) Any violation of subsections (a) to (c), inclusive, of this section  
286 shall be deemed an unfair or deceptive trade practice under section 42-  
287 110b.

288 (e) Any heating fuel dealer who violates the provisions of this  
289 section shall be fined not more than five hundred dollars for the first  
290 offense, not more than seven hundred fifty dollars for a second offense  
291 occurring not more than three years after a prior offense and not more  
292 than one thousand five hundred dollars for a third or subsequent  
293 offense occurring not more than three years after a prior offense.

294 Sec. 5. Section 16a-23m of the general statutes is repealed and the

295 following is substituted in lieu thereof (*Effective July 1, 2013*):

296 [(a) No person, firm or corporation shall engage in the retail sale of  
297 home heating oil or propane gas without a certificate of registration as  
298 a home heating oil or propane gas dealer issued pursuant to this  
299 section. Only one registration shall be required of a dealer to engage in  
300 both the retail sale of heating oil and propane gas.]

301 (a) As used in this section and sections 16a-23n to 16a-23r, inclusive,  
302 as amended by this act:

303 (1) "Capped price plan" means an agreement where the cost to the  
304 consumer of heating fuel shall not increase above a specified price per  
305 gallon and the consumer shall pay less than the specified price under  
306 circumstances specified in such contract;

307 (2) "Commissioner" means the Commissioner of Consumer  
308 Protection;

309 (3) "Consumer" means a direct purchaser of heating fuel from a  
310 heating fuel dealer, when such fuel is the primary source of heating  
311 fuel for residential heating or domestic hot water to one or more  
312 dwelling units within a structure having not more than four dwelling  
313 units;

314 (4) "Forwards contract" means an agreement between two parties to  
315 buy or sell an asset at a certain future time for a certain price;

316 (5) "Futures contract" means a standardized, transferable, exchange-  
317 traded agreement that requires delivery of heating fuel at a specified  
318 price on a specified future date;

319 (6) "Gallon" means an accepted unit of measure consisting of two  
320 hundred thirty-one cubic inches, for all liquid or gaseous heating fuel,  
321 subject to modifications allowed under regulations adopted pursuant  
322 to section 43-42;

323 (7) "Guaranteed price plan", also known as "guaranteed plan", "fixed

324 price", "buy ahead", "prebuy", "prebought", "prepaid", "full price", "lock  
325 in", "capped", "price cap", or other similar terminology, when used to  
326 describe a contract, means a type of contract offering heating fuel at a  
327 guaranteed future price or at a maximum future price;

328 (8) "Heating fuel" means any petroleum based fuel used as a  
329 primary source of residential heating or domestic hot water, including  
330 petroleum products regulated pursuant to chapter 250;

331 (9) "Heating fuel dealer" or "dealer" means any individual or group  
332 of individuals, a firm, partnership, corporation, cooperative or limited  
333 liability company that offers the retail sale of heating fuel to  
334 consumers;

335 (10) "Heating oil" means a predominantly liquefied petroleum  
336 product at ambient temperatures, that is sold as a commodity and is a  
337 primary source of residential heating or domestic hot water, including  
338 products known as #2 oil (heating oil), #1 oil (kerosene), #4 oil, bio  
339 fuels, or any bio fuel blended with conventionally refined fossil fuel  
340 commodities and that meets the requirements of the American Society  
341 for Testing and Materials Standard D396, as amended from time to  
342 time;

343 (11) "Maintain" means retention of the balance, measured in gallons  
344 or other accepted units of measure, of heating fuel that remains to be  
345 delivered to consumers who are party to a guaranteed price plan  
346 contract;

347 (12) "Physical supply contract" means an agreement for wet barrels  
348 or gallons of heating fuel that has been secured by a heating fuel  
349 dealer;

350 (13) "Propane" or "liquefied petroleum gas (LPG)" means a  
351 petroleum product that meets ASTM specification D1835, as amended  
352 from time to time, and is composed predominantly of any of the  
353 following hydrocarbons or mixtures thereof: Propane, propylene,  
354 butanes (normal butane or isobutane), and butylenes and is intended

355 for use, among other things, as a fuel for residential heating; and

356 (14) "Surety bond" means a bond issued by a licensed insurance  
357 company or banking institution as surety for a dealer obligating the  
358 surety to the commissioner in a sum certain in guaranty of the full and  
359 faithful performance by the dealer of prepaid guaranteed price plan  
360 contracts entered into pursuant to this chapter.

361 (b) No heating fuel dealer shall engage in the sale of heating fuel  
362 without a certificate of registration as a heating fuel dealer issued  
363 pursuant to this section. No federally established heating assistance  
364 agency shall be required to register. Only one registration shall be  
365 required of a dealer to engage in both the retail sale of heating oil and  
366 propane. A separate certificate of registration is required for each name  
367 that a heating fuel dealer does business as or advertises.

368 [(b)] (c) Each person, firm or corporation seeking registration as a  
369 [home] heating [oil or propane gas] fuel dealer shall apply annually for  
370 a certificate of registration with the Department of Consumer  
371 Protection on forms prescribed by [the Commissioner of Consumer  
372 Protection.] the commissioner. Each heating fuel dealer shall disclose  
373 on such forms all affiliated companies registered with the department  
374 that are under common ownership or have interlocking boards of  
375 directors. Each applicant shall pay a registration fee of two hundred  
376 dollars. The commissioner shall require all applicants for registration  
377 as a [home] heating [oil or propane gas] fuel dealer to provide  
378 evidence of general liability insurance coverage and insurance to cover  
379 any potential environmental damage due to heating fuel [oil] spills or  
380 [propane gas] leaks caused by such applicant as a registered dealer  
381 which coverage shall be not less than one million dollars. Each  
382 registered dealer shall provide the department with evidence of each  
383 renewal of or change to such insurance coverage not later than five  
384 days after such renewal or change during the period of registration,  
385 which renewal or change shall meet the requirements of this  
386 subsection.

387        [(c)] (d) Each registered dealer shall display its registration number  
388        in all advertisements and other materials prepared or issued by the  
389        dealer, which contain information [on] regarding such dealer,  
390        including, but not limited to, all contracts, delivery tickets, letters and  
391        vehicle advertisements.

392        [(d)] (e) The insurance company of a [home] heating [oil or propane  
393        gas] fuel dealer shall notify the [Commissioner of Consumer  
394        Protection] commissioner, in writing, upon cancellation of insurance  
395        required by subsection [(b)] (c) of this section by any [home] heating  
396        [oil or propane gas] fuel dealer. The [Commissioner of Consumer  
397        Protection] commissioner shall revoke the registration of any such  
398        dealer without the insurance coverage required by subsection [(b)] (c)  
399        of this section.

400        Sec. 6. Section 16a-23n of the general statutes is repealed and the  
401        following is substituted in lieu thereof (*Effective July 1, 2013*):

402        (a) A contract for the retail sale of [home] heating [oil or propane  
403        gas] fuel that offers a guaranteed price plan [, including fixed price  
404        contracts and any other similar terms,] shall be in writing and the  
405        terms and conditions of such guaranteed price plan shall be disclosed.  
406        Such disclosure shall be in plain language and shall immediately  
407        follow the language concerning the price or service that could be  
408        affected and shall be printed in no less than twelve-point boldface type  
409        of uniform font.

410        (b) A [home] heating [oil or propane gas] fuel dealer that advertises  
411        a price shall offer such price for a period of no less than twenty-four  
412        hours or until the next advertised price is publicized, whichever occurs  
413        first.

414        (c) Each capped price plan and any guaranteed price plan that  
415        includes the terms "cap", "capped", "maximum", "not to exceed" or any  
416        other similar term or description shall not increase above a specified  
417        price per gallon. The contract for such plan shall contain clear and  
418        specific language stating how and under what circumstances the price

419 will decrease, if applicable.

420 [(c) No home] (d) A heating [oil or propane gas] fuel dealer shall,  
421 [enter into, renew or extend a prepaid home heating oil or propane gas  
422 contract or a capped price per gallon home heating oil contract unless  
423 such dealer has] not later than five business days after entering into a  
424 prepaid guaranteed price plan contract, either: (1) [Obtained and  
425 maintained] Obtain heating [oil or propane gas] fuel physical  
426 inventory to which such dealer holds title, heating fuel futures or  
427 forwards contracts, physical supply contracts or other similar  
428 commitments the total amount of which allow such dealer to purchase,  
429 at a fixed price, heating [oil or propane gas] fuel in an amount not less  
430 than eighty per cent of the maximum number of gallons or amount  
431 that such dealer is committed to deliver pursuant to all prepaid [home  
432 heating oil or propane gas] guaranteed price contracts entered into [,  
433 renewed or extended] by such dealer, [or that such dealer estimates is  
434 committed pursuant to all capped price per gallon home heating oil or  
435 capped price per unit propane gas contracts, respectively,] or (2)  
436 [obtained and maintained] obtain a surety bond in an amount not less  
437 than fifty per cent of the total amount of funds paid to the dealer by  
438 consumers pursuant to prepaid [home heating oil or propane gas]  
439 guaranteed price plan contracts. [or that the dealer estimates will be  
440 paid to the dealer by consumers pursuant to all capped price per  
441 gallon home heating oil or capped price per unit propane gas  
442 contracts, respectively.] A heating fuel dealer shall, not later than five  
443 business days after entering into a guaranteed price plan contract that  
444 is not prepaid, obtain heating fuel physical inventory to which such  
445 dealer holds title, heating fuel futures or forwards contracts, physical  
446 supply contracts or other similar commitments the total amount of  
447 which allow such dealer to purchase, at a fixed price, heating fuel in an  
448 amount not less than eighty per cent of the maximum number of  
449 gallons or amount that such dealer is committed to deliver pursuant to  
450 all guaranteed price plan contracts entered into by such dealer. Such  
451 dealer shall maintain such total amount of futures or forwards or  
452 physical supply contracts or other similar commitments or the amount

453 of the surety bond required by this subsection for the period of time  
454 for which such [prepaid home heating oil or propane gas] guaranteed  
455 price plan contracts [or capped price per gallon home heating oil or  
456 capped price per unit propane gas contracts] are effective, except that  
457 the total amount of such futures or forwards or guaranteed price plan  
458 contracts or other similar commitments or the amount of the surety  
459 bond may be reduced during such period of time to reflect any amount  
460 of [home] heating [oil or propane gas] fuel already delivered to and  
461 paid for by the consumer.

462 [(d)] (e) No [prepaid home heating oil or propane gas] guaranteed  
463 price plan contract shall require any consumer commitment to  
464 purchase [home] heating [oil or propane gas] fuel pursuant to the  
465 terms of such contract for a period of more than eighteen months. A  
466 guaranteed price plan contract for the purchase of heating fuel may  
467 not contain an automatic contract renewal or extension clause.

468 [(e)] (f) Any [prepaid home heating oil or propane gas] guaranteed  
469 price plan contract shall indicate, in clear and specific language: (1) The  
470 amount of funds paid by the consumer to the heating fuel dealer under  
471 such contract, (2) the maximum number of gallons of [home] heating  
472 [oil or maximum amount of propane gas] fuel committed by the dealer  
473 for delivery to the consumer pursuant to such contract, [and] (3) that  
474 performance of such [prepaid home heating oil or propane gas]  
475 guaranteed price plan contract is secured by one of the [two] options  
476 described in subsection [(c)] (d) of this section, and (4) if the price of  
477 heating fuel is subject to fluctuation, the circumstances under which  
478 the price may fluctuate. Any such contract shall provide that the  
479 contract price of any undelivered [home] heating [oil or propane gas]  
480 fuel owed to the consumer under the contract, on the end date of such  
481 contract, shall be reimbursed to the consumer not later than thirty days  
482 after the end date of such contract unless the parties to such contract  
483 agree otherwise.

484 [(f)] (g) Each [home] heating [oil or propane gas] fuel dealer who  
485 enters into [, renews or extends prepaid home heating oil or propane

486 gas] guaranteed price plan contracts [or capped price per gallon home  
487 heating oil contracts or capped price per unit propane gas contracts]  
488 shall inform the Commissioner of Consumer Protection, in writing,  
489 that such dealer is entering into [, renewing or extending] such  
490 contracts and shall identify any entity from which the dealer has  
491 secured futures or forwards contracts, physical supply contracts or  
492 other similar commitments or a surety bond pursuant to subsection  
493 [(c)] (d) of this section. Each such dealer shall notify the commissioner  
494 if at any time the total amount of such secured futures or forwards  
495 contracts, physical supply contracts or other such similar commitments  
496 held by the dealer is less than eighty per cent of the maximum number  
497 of gallons or amount that such dealer is committed to deliver pursuant  
498 to all such [prepaid home heating oil or propane gas] contracts entered  
499 into [, renewed or extended] by such dealer [or that such dealer  
500 estimates it is committed to deliver pursuant to all of its capped price  
501 per gallon home heating oil or capped price per unit propane gas  
502 contracts, respectively] or, if the total amount of such surety bond is  
503 not more than fifty per cent of the remaining balance of funds  
504 consumers paid pursuant to prepaid guaranteed price plan contracts.  
505 The commissioner shall prescribe the form in which such information  
506 shall be reported.

507 [(g)] (h) Each person from which a [home] heating [oil or propane  
508 gas] fuel dealer has secured a futures, [or] forwards or physical supply  
509 contract or other similar commitment or a surety bond pursuant to  
510 subsection [(c)] (d) of this section shall notify the Commissioner of  
511 Consumer Protection, in writing, of the cancellation of such contract or  
512 other similar commitment or surety bond not later than three business  
513 days after such cancellation.

514 Sec. 7. Section 16a-23p of the general statutes is repealed and the  
515 following is substituted in lieu thereof (*Effective July 1, 2013*):

516 The Department of Consumer Protection may suspend or revoke  
517 any registration issued under section 16a-23m, as amended by this act,  
518 if the holder of such registration is grossly incompetent, engages in

malpractice or unethical conduct or knowingly makes false, misleading or deceptive representations regarding such holder's work, violates any provision of section 16a-23n, as amended by this act, fails to comply with any subpoena issued pursuant to this section or violates any regulations adopted under section 16a-23q. Before any such registration is suspended or revoked, such holder shall be given notice and opportunity for hearing as provided in regulations adopted by [the Commissioner of Consumer Protection] said commissioner in accordance with the provisions of chapter 54. Said commissioner may compel by subpoena, at his or her discretion, the production of any documents from any heating fuel dealer or from any provider of futures or forwards contracts, physical supply contracts or other similar commitments or a surety bond, regarding compliance with the provisions of sections 16a-23m to 16a-23r, inclusive, as amended by this act.

Sec. 8. Section 16a-23r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(a) A violation of the provisions of section 16a-23m, as amended by this act, 16a-23n, as amended by this act, or 16a-23o constitutes an unfair trade practice under subsection (a) of section 42-110b.

(b) In accordance with the provisions of section 53a-11, any [home] heating [oil] fuel dealer who knowingly violates the provisions of subsection [(c)] (d) of section 16a-23n, as amended by this act, shall have committed a class A misdemeanor.

(c) Any person, firm or corporation who violates the provisions of section 16a-23m, as amended by this act, 16a-23n, as amended by this act, or 16a-23o shall be fined not more than five hundred dollars for the first offense, not more than seven hundred fifty dollars for a second offense occurring not more than three years after a prior offense and not more than one thousand five hundred dollars for a third or subsequent offense occurring not more than three years after a prior offense.

551       Sec. 9. (NEW) (*Effective July 1, 2013*) Nothing in sections 16a-17, as  
 552 amended by this act, 16a-21, as amended by this act, 16a-22a, as  
 553 amended by this act, 16a-22k, as amended by this act, 16a-23m, as  
 554 amended by this act, 16a-23n, as amended by this act and 16a-23p, as  
 555 amended by this act, shall validate a contract provision or clause that  
 556 would otherwise be unenforceable pursuant to section 42-150u of the  
 557 general statutes.

558       Sec. 10. Section 16a-22b of the general statutes is repealed. (*Effective*  
 559 *July 1, 2013*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	16a-17
Sec. 2	<i>July 1, 2013</i>	16a-21
Sec. 3	<i>July 1, 2013</i>	16a-22a
Sec. 4	<i>July 1, 2013</i>	16a-22k
Sec. 5	<i>July 1, 2013</i>	16a-23m
Sec. 6	<i>July 1, 2013</i>	16a-23n
Sec. 7	<i>July 1, 2013</i>	16a-23p
Sec. 8	<i>July 1, 2013</i>	16a-23r
Sec. 9	<i>July 1, 2013</i>	New section
Sec. 10	<i>July 1, 2013</i>	Repealer section